

Attachment B

Statement of Interest Statewide Long-term Care Reform

Community Care In Action (CCIA)

Organization Name(s)

Community Care In Action, LLC (CCIA)

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Brief Description of the Organization

Community Care in Action, LLC is a newly formed organization developed by individuals with extensive experience in human services management and long-term care. The principals in forming this corporation include Don Knapp, Steve Merciat, and Gerry Born of the Lori Knapp Companies, Peter Tropman and Virginia Graves of The Management Group, Inc., Burton Wagner, attorney, and Jack Turcott, former Dean Care HMO executive, and possibly others experienced in long-term care or managed care. CCIA has been developed as an LLC in response to the need to raise substantial capital from qualified private investors.

CCIA is also working with Southwestern Wisconsin counties in their efforts to plan for long-term care reform.

Interest in Planning and Implementation of Long-Term Care Reform in Wisconsin

CCIA has been created with a two-fold mission: The first mission of CCIA will be to meet the need for a competent, value driven organization able to build and operate managed care programs for persons with developmental disabilities. CCIA would do this by working in partnership with other organizations (the state, existing managed care entities like Family Care - CMO's, Wisconsin Partnership Program sites, and other MCO/HMO's) to build and operate programs for developmentally disabled persons on an assumed or shared risk basis.

The second mission will be to work with DHFS and local parties (including counties and providers) to develop comprehensive managed care approaches for areas not covered or served by existing or developing MCOs. In these areas CCIA would be capable of totally managing the long-term care program. It would work with the counties involved, their staff and provider networks, and a managed care administrative service organization to create a managed care program consistent with the stated goals. CCIA would, at a minimum, assume the risk and manage the care for the developmentally disabled consumers. CCIA will also create the needed partnerships with acute and primary health care organizations to address this portion of the enrollees' needs.

More specifically CCIA is interested in working with DHFS, counties, and other private providers in several ways. CCIA is able to move rapidly, by the end 2006, to begin to manage selected aspects of long-term care in a given area. For example, in the south central/southwest area of Wisconsin CCIA is working with select counties to develop this type of arrangement. In southeastern Wisconsin it would assume and manage the risk for developmentally disabled enrollees in the South Eastern Wisconsin CMO. It is also capable of working with areas of the state where expertise is primarily in the physical disabilities and aging areas, and the potential CMO is seeking a partner to provide the management of the developmental disabilities program. CCIA also has the capacity to assist county or private CMOs with select business functions including personnel, care management, risk, billing, etc. Finally, CCIA would like to work with DHFS to provide management of long-term care programs in areas of the state where no other provider has indicated an interest in managing the services. This could be

on a managed care basis, but if the areas are very dispersed and lowly populated, the arrangement may have to include rate-per-person, pay-for-performance, or other creative financial arrangements that result in effective and cost-efficient management.

Geographic Areas of Interest

CCIA has been working actively with regional public-private collaboratives and potential managed care partners in a number of areas of the state where there is a need for the development and operation of a risk based program for persons with developmental disabilities. These include: The South Western and South Central Care Management Coalition; The Southeast Wisconsin Care Management Collaborative; Dane County; The West Central Wisconsin-Care Management Collaborative; the North East Region; and the Family Partnership Family Care Coalition. CCIA will be specifically mentioned in their RFI/RFP responses while others have indicated a willingness to work with CCIA as they begin local planning and develop activities.

CCIA is also interested in working statewide where no other managed care provider, including the county, has indicated an interest in managing the care of persons with developmental disabilities. A group of counties in far north central Wisconsin is an example of where this might be a need.

Proposed Scope and Nature of the Program

As stated above, the primary interest of CCIA is to provide a managed care approach to long-term care services for the developmentally disabled. On a select basis, CCIA could develop a comprehensive program to serve some or all target populations. The benefit package would be the same as is available in Family Care Counties, but all people in nursing homes and ICF/MR's would need to be enrolled, including existing residents on Medicaid along with waiver participants, during the phase-in period of time. This approach builds on the success that Family Care counties have experienced and will utilize information and approaches learned from the Family Care experience. Family Care has demonstrated that the program saves costs on a per person basis by preventing many health problems and keeping people healthier, and by relying less on institutional care.

CCIA has a special interest in and commitment to building programs in which the options of self-direction and self-determination are available for consumers to choose. Development of these options in Wisconsin has lagged behind development in other states and developing them in a managed care environment will present some unique administrative, fiscal systems, and program design challenges. CCIA plans to work with individuals and organizations that have both pioneered the development and the implementation of this initiative nationally. It is also very interested in working in partnership with the Wisconsin Council on Developmental Disabilities that is actively promoting the development of self-direction approaches.

In addition, CCIA also understands that involving all Medicaid residents of nursing homes and ICF/MR's expands the potential for savings and possibly a further reduction in institutional use. Care management staff already exists with CCIA partner organizations; it is eager to work with county managers on the possibility of contracting with counties for long-term care management; and CCIA has and will expand a provider network in areas of the state in which it is managing care.

In select areas of the state, CCIA is proposing to provide the management for long-term care services across all groups. At the same time, there are places where, for example, a Partnership Program will provide the CMO functions. In these instances CCIA can provide for the management of the developmental disabilities portion of the program in conjunction with a Partnership Program and the counties. Collaborating in this way will ensure all populations are covered by organizations with long histories and expertise in serving the various populations.

Over time, CCIA will expand its benefit package to include the possibility of acute and primary health care. This will be achieved by partnering with acute and primary managed care organizations. This could be done in conjunction with Wisconsin Partnership Programs or HMO health care providers serving the area of the state where CCIA is managing long-term care services. CCIA has already begun discussions with Partnership Programs and HMO providers in various areas of the state.

Other Information

The CCIA principals have extensive experience in Wisconsin's human services system and especially long-term care. Many started by working with Secretary Don Percy on the development of Planning Guideline Number One that became the blueprint for the development of Wisconsin's community long-term care system and the COP/CIP programs. These principals have kept pace with the most current approaches to care and services, including managed care, as providers in managed care and other environments, providing quality assurance reviews for community long-term care, consulting with counties and local provider organizations regarding program enhancements and financial management, and training community long-term care staff in all aspects of their responsibilities. It is strategically positioned with the expertise, financial capacity, and management infrastructure to assist DHFS with its long-term care reform efforts in multiple ways.

Finally, the financing of long-term care reform will pose a real challenge for DHFS, the Governor, and the Legislature. It may be prudent for DHFS to return to a process that was used prior to the creation of the 51 system when counties were issued a "charge back" for their residents in state institutions. In this way, whether a county participated in long-term care reform or not, it could be charged back, for example, 10% of the PMPM allocation for residents of the county. If a 10% charge back were in place, counties would end up contributing 25% of the state share, the state 75% of the state share, and the federal government 60% of the total cost. CCIA is prepared to work with DHFS on innovative funding methods to assist with the success of long-term care reform in Wisconsin.